

MISCELLANEOUS APPROPRIATIONS

Budget Summary							
Fund	2002-03 Base Year Doubled	2003-05 Governor	2003-05 Jt. Finance	2003-05 Legislature	2003-05 Act 33	Act 33 Change Over <u>Base Year Doubled</u> Amount Percent	
GPR	\$217,053,400	\$238,594,200	\$224,644,700	\$224,644,700	\$224,644,700	\$7,591,300	3.5%
SEG	<u>1,562,505,200</u>	<u>38,920,100</u>	<u>39,823,200</u>	<u>46,144,900</u>	<u>46,144,900</u>	<u>- 1,516,360,300</u>	- 97.1
TOTAL	\$1,779,558,600	\$277,514,300	\$264,467,900	\$270,789,600	\$270,789,600	- \$1,508,769,000	- 84.8%

FTE Position Summary

There are no authorized positions for Miscellaneous Appropriations.

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

SEG - \$1,524,187,400

Governor/Legislature: Decrease funding by \$762,093,700 annually to remove non-continuing elements from the base. The following three items would be removed from the base: (a) \$598,300,000 of one-time tobacco securitization proceeds used for shared revenue payments in 2002-03; (b) \$157,602,800 of tobacco settlement proceeds transferred to the general fund on a one-time basis in 2002-03; and (c) \$6,190,900 of transportation fund monies transferred to the general fund in 2002-03, from an appropriation that is repealed on June 30, 2003.

2. OPERATING NOTE INTEREST AND EXPENSES

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$13,130,000	- \$13,200,000	- \$70,000

Governor: Increase funding by \$2,700,000 in 2003-04 and by \$10,300,000 in 2004-05 for estimated interest costs on operating notes. Total funding would be \$9,800,000 in 2003-04 and \$17,400,000 in 2004-05. The administration anticipates operating notes of \$750 million in 2003-04

and \$900 million in 2004-05. The increased funding reflects both the sizes of the notes and anticipated increases in interest rates during the biennium.

In addition, increase funding for expenses associated with issuing operating notes by \$65,000 in each year. Total funding in each year would be \$225,000.

Joint Finance/Legislature: Reduce the estimated interest costs on operating notes by \$3,800,000 in 2003-04 and by \$9,400,000 in 2004-05. In addition, reduce estimated general fund interest earnings by \$3,000,000 in 2003-04 and by \$10,000,000 in 2004-05. The changes in estimated interest costs on operating notes and in estimated interest earning on balances in the general fund reflect current interest rate projections and the budgetary decisions of the Legislature.

The net effect of the reduced estimates of general fund interest earnings and operating note interest costs would be an increase in the general fund balance of \$200,000 for the 2003-05 biennium. However, the box for this entry reflects only the reduction in the estimated operating note interest expense. The reestimated general fund interest earnings are reflected in the general fund condition statement of the overview section of the summary under "Departmental Revenues."

3. GENERAL FUND TRANSFER TO TRANSPORTATION FUND [LFB Paper 515]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG-REV	\$2,500,000	\$30,400	\$2,530,400
GPR	\$2,500,000	\$30,400	\$2,530,400

Governor: Provide \$2,500,000 GPR in 2004-05 in an appropriation for making a transfer to the transportation fund pursuant to an airline ad valorem tax exemption provision and increase estimated transportation fund revenue by a corresponding amount. A provision of 2001 Act 16 exempted airlines with hub facilities in the state from the payment of ad valorem taxes on airline property and required that an annual payment be made from the general fund to the transportation fund, beginning in 2004-05, that is equal to the amount that the exempted airlines paid in the final year that they made payments before the exemption became effective. The exemption currently applies to two airlines, Midwest Express and Air Wisconsin. Although the bill would estimate the transfer at \$2,500,000, the two airlines paid a total of \$2,530,400 in ad valorem taxes in 2000, which was the last year before the exemption took effect. Revenue from ad valorem taxes on non-exempt airlines is deposited in the transportation fund.

Joint Finance/Legislature: Increase funding in the transfer appropriation by \$30,400 GPR in 2004-05 and increase transportation fund revenue by a corresponding amount to reflect the actual level of ad valorem taxes paid in 2000.

4. SUPPLEMENTAL TITLE FEE MATCHING APPROPRIATION [LFB Paper 565]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,479,900	- \$779,900	\$700,000

Governor: Estimate the supplemental title fee matching GPR sum sufficient appropriation to increase by \$624,700 (for a total of \$10,969,700) in 2003-04 and by \$855,200 (for a total of \$11,200,200) in 2004-05. The Secretary of Transportation must certify by October 1 each year to the Secretary of Administration the amount of automobile title transfer fees collected during the previous fiscal year. This amount, minus \$555,000, is transferred to the nonpoint account of the environmental fund.

Joint Finance/Legislature: Delete \$274,700 (for a total of \$10,695,000) in 2003-04 and \$505,200 (for a total of \$10,695,000) in 2004-05 to reflect reestimated title transfer levels.

5. CAPITOL OFFICES RELOCATION APPROPRIATION REPEAL

GPR	- \$2,063,200
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Governor/Legislature: Repeal the capitol offices relocation appropriation which was established in 1989 to allow the temporary relocation of executive, legislative and supreme court offices and chambers in the State Capitol to outside space during the phased-remodeling of the Capitol. Also, repeal statutory authority for the Department of Administration (for executive agencies and the courts) and the Joint Committee on Legislative Organization (for the Legislature) to temporarily relocate occupants of the State Capitol during the period of the renovation. Since the remodeling of the Capitol has been completed, the space re-occupied, and service agency staff permanently relocated outside the Capitol, the administration believes that this appropriation should be repealed. Currently, the only private space being paid for out of this appropriation is for rent of the building at 100 North Hamilton Street where the Legislative Reference Bureau is currently located. The current lease on this space ends in November of 2004. The Department of Administration would be responsible for paying for the remaining costs of this lease after this appropriation is repealed until the end of the lease. The appropriation would be repealed on the effective date of the bill.

[Act 33 Sections: 219, 670, 672m, and 674]

6. CANCELLED DRAFTS APPROPRIATION REESTIMATE

GPR	- \$400,000
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Governor/Legislature: Reduce by \$200,000 annually the estimated expenditures from the sum sufficient appropriation that exists for re-issuance of state checks originally issued against GPR-funded appropriations. In general, any state checks that have not been cashed within twelve months of their issuance date are cancelled. Where situations warrant the issuance of a new check, the funds for such checks that were originally drawn against individual agencies' GPR appropriations are paid from this central GPR appropriation since the original monies for

such checks would have been deposited in the state's general fund. Total expenditures from this appropriation in 2003-05 are estimated at \$1,600,000 annually.

7. TRANSFERS TO THE CONSERVATION FUND [LFB Paper 536]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,200	\$0	\$1,200
SEG	<u>607,900</u>	<u>886,900</u>	<u>1,494,800</u>
Total	\$609,100	\$886,900	\$1,496,000

Governor: Reestimate the revenue to the segregated snowmobile, all-terrain vehicle (ATV), and water resources accounts of the conservation fund from the motor fuel tax transfer based on an expected increase in the number of registered boats and ATVs, and an estimated decrease in registered snowmobiles. Estimated changes by year and category include:

	2003-04		2004-05	
	<u>Change</u>	<u>Total</u>	<u>Change</u>	<u>Total</u>
Snowmobile Transfer	-\$221,700	\$4,660,000	-\$13,600	\$4,868,100
ATV Transfer	60,100	1,168,800	136,000	1,244,700
Water Resources Transfer	<u>113,600</u>	<u>11,398,800</u>	<u>533,500</u>	<u>11,818,700</u>
Total	-\$48,000	\$17,227,600	\$655,900	\$17,931,500

Also, reestimate the reimbursement to the conservation fund for debt service on certain land acquisitions by \$400 GPR (to \$233,000) in 2003-04 and \$800 GPR (to \$233,400) in 2004-05.

Joint Finance/Legislature: Provide an additional \$464,100 SEG in 2003-04 and \$422,800 SEG in 2004-05 related to the gas tax transfers to the conservation fund as follows: (a) provide \$952,700 SEG in 2003-04 and \$906,400 SEG in 2004-05 to the water resources account; (b) delete \$557,200 SEG in 2003-04 and \$644,500 SEG in 2004-05 from the snowmobile account; and (c) provide \$68,600 SEG in 2003-04 and \$160,900 SEG in 2004-05 to the all-terrain vehicle account. Total gas tax transfers are estimated as follows:

	<u>2003-04</u>	<u>2004-05</u>
Snowmobile	\$4,102,800	\$4,223,600
ATV	1,237,400	1,405,600
Water Resources	12,351,500	12,725,100

8. MARQUETTE DENTAL SCHOOL DEBT SERVICE

GPR	\$82,900
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Governor/Legislature: Provide \$40,600 in 2003-04 and \$42,300 in 2004-05 over annual base level funding of \$932,500 to reflect estimated increases in debt service costs on bonds

issued to fund a portion of the dental clinic and education facility for the Marquette Dental School.

9. ELECTION CAMPAIGN FUND REESTIMATE

GPR	\$10,000
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Governor/Legislature: Reestimate expenditures by \$5,000 annually for payment to the Wisconsin Election Campaign Fund (WECF) to reflect an increase in \$1 individual income tax check-off designations. Total budgeted expenditures would increase to \$330,000 annually. Under current law, a taxfiler may designate on his or her individual income tax return that \$1 be transferred from the general fund to the WECF. Since the check-off does not affect taxpayer refunds or liabilities, an amount equivalent to the number of designations is transferred annually to the WECF from the election campaign payments sum sufficient appropriation. In 2002-03, \$328,775 was transferred to the WECF.

10. TERMINAL TAX DISTRIBUTION [LFB Paper 516]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
SEG	-\$5,600	\$16,200	\$10,600

Governor: Decrease payments from the transportation fund by \$32,200 in 2003-04 and increase payments by \$26,600 in 2004-05 to reflect a reestimate of terminal tax payments at \$1,251,100 in 2003-04 and \$1,309,900 in 2004-05. Terminal tax payments are calculated by multiplying the value of terminal storage and railroad repair facility property held by railroads by the statewide average effective tax rate. These amounts are paid to towns, villages, and cities where terminal storage property or repair facilities are located.

Joint Finance/Legislature: Decrease funding by \$5,000 in 2003-04 and increase funding by \$21,200 in 2004-05 to reflect a reestimate of terminal tax payments at \$1,246,100 in 2003-04 and \$1,331,100 in 2004-05.

11. TRANSFER FROM THE PETROLEUM INSPECTION FUND TO THE TRANSPORTATION FUND

SEG	\$6,321,700
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Senate/Legislature: Provide \$6,321,700 in a newly-created appropriation from the petroleum inspection fund for making a transfer to the transportation fund. This item reflects a decision to replace a direct appropriation from the petroleum inspection fund for the motor vehicle emissions inspection program with a transfer of the same amount of funds to the transportation fund (through this item) and an increase in the current transportation fund appropriation for the program (summarized under "Transportation--Motor Vehicles").

[Act 33 Sections: 670r and 848j]

12. OTHER MISCELLANEOUS APPROPRIATIONS CHANGES

The description and fiscal effect of miscellaneous appropriations changes related to Minnesota-Wisconsin and Illinois-Wisconsin income tax reciprocity items and to interest payments on overpayment of taxes are summarized as entries under "General Fund Taxes."